

**MINUTES
REGULAR MEETING
UTILITY SERVICE BOARD
SEPTEMBER 15, 2014**

The Regular Meeting of the Utility Service Board of the City of Jasper, Indiana, was held in the Council Chambers of City Hall in Jasper at 7:00 PM on Monday, September 15, 2014.

The meeting was called to order by Chairman Wayne Schuetter.

UPON CALL OF THE ROLL, THE FOLLOWING WERE PRESENT:

Wayne Schuetter – Chairman
Rick Stradtner – Vice Chairman
Doug Schulte – Secretary
Alex Emmons – Wastewater Commissioner
Ken Sendelweck – Electric Commissioner
Dave Hurst – Water Commissioner
Keith Masterson – Gas Commissioner

ALSO PRESENT:

Jerry Schitter – Electric Distribution Manager
Ernie Hinkle – Gas & Water Manager
Ed Hollinden – Wastewater Manager
Bud Hauersperger – General Manager
Renee Kabrick – City Attorney
Ashley Kiefer – Office Manager

PLEDGE OF ALLEGIANCE (DVD-00:45)

Chairman Wayne Schuetter led the Pledge of Allegiance.

BID OPENING: WATER TREATMENT PLANT IMPROVEMENTS – ULTRAVIOLET TREATMENT ADDITION (DVD-01:09)

Hauersperger opened the quotes and read them aloud as follows:

- | | |
|---|----------------|
| 1. Graves Plumbing Co., Inc.
Switz City, IN 47465 | \$1,414,141.00 |
| 2. Kieffer Bros. Construction
Mt. Carmel, IL 62863 | \$1,296,000.00 |
| 3. Krempp Construction, Inc.
Jasper, IN 47546 | \$1,548,800.00 |
| 4. Layne Heavy Civil, Inc.
Orleans, IN 47452 | \$1,670,000.00 |

5. Mitchell & Stark Const. Co.
Medora, IN 47260

\$1,226,400.00

All quotes included Form 96, a Non-Collusion Affidavit, an Indiana Legal Employment Declaration, a Nepotism Policy Affirmation and an Affidavit Regarding Non-responsibility.

Ernie Hinkle asked for the Board's permission to take the quotes under advisement and have Midwestern Engineers review the quotes, due to the scope of work.

Rick Stradtner made a motion to take the bids under advisement. Doug Schulte seconded the motion. Motion approved, 7-0.

A Special Meeting will be held on Wednesday September 24th at 8:00AM to consider Midwestern's recommendation and to award the bid. This project was mandated by EPA. The money for this project will come from the Depreciation Fund.

Mark Qualkenbush, from Layne Heavy Civil, Inc., inquired about the estimates on the UV project. Derick Wiggins with Midwestern Engineers said the estimate was \$1.2 million.

APPROVAL OF MINUTES (DVD-13:40)

Chairman Wayne Schuetter presented the minutes of the August 18, 2014 Regular Meeting and there being no corrections or amendments, asked for a motion to approve the minutes. Keith Masterson made a motion to approve the minutes of the meeting as presented. Ken Sendelweck seconded the motion. Motion approved, 7-0.

PETITION TO VACATE PUBLIC UTILITY & DRAINAGE EASEMENT – LOT 1- HILLSIDE ACRES II – PHIL BUELER FROM BROSMER LAND SURVEYING ON BEHALF OF DUANE FLANNAGAN(DVD-14:13)

Phil Buehler with Brosmer Land Surveying, on behalf of Duane Flannagan, requested to vacate a public utility and drainage easement on Lot 1 in Hillside Acres II. The residential property is located on the west side of Rolling Ridge Road. The property owners want to vacate the entire 20-foot public utility and drainage easement. A residential structure is proposed to be built on the east side of the lot due to the sloping on the north end. There are no utilities situated within this easement. Utility Managers have no problems with the vacation.

Dave Hurst made a motion to recommend to the Common Council the vacation of the 20-foot Public Utility and Drainage easement on Lot 1 in Hillside Acres II. Keith Masterson seconded the motion. Motion approved, 7-0.

PETITION TO VACATE PUBLIC UTILITY & DRAINAGE EASEMENT – LOTS 1, 2 & 3 – ORCHARD HILL SUBDIVISION – PHIL BUEHLER FROM BROSMER LAND SURVEYING ON BEHALF OF GEORGE GRAMELSPACHER & TONY AND CHRISTY AHRENS (DVD-18:05)

Phil Buehler with Brosmer Land Surveying, on behalf of George Gramelspacher and Tony and Christy Ahrens, requested to vacate a public utility and drainage easement on lots 1, 2, and 3 in

Orchard Hill Subdivision. The residential property is located at 750 West 14th Street and 810 West 14th Street. The property owners want to vacate the south 10 feet of the existing 20-foot public utility and drainage easement situated along the entire north line of lots 1, 2, and 3 of Orchard Hill Subdivision.

The land north of Orchard Hill is unplatted. Gas utilities are installed within the north 10 feet of the public utility and drainage easement. As part of this petition, it is proposed to dedicate the south 10 feet of the unplatted land north of the existing public utility and drainage easement as a new easement; therefore shifting the existing public utility and drainage easement north 10 feet.

Ed Hollinden stated that a manhole is located within the area and he would need an easement for the sanitary sewer manhole. Hollinden said it would be close; they may need to shift the easement west just a little bit. Jerry Schitter and Ernie Hinkle have no problem with the vacation.

Keith Masterson made a motion to recommend to the Common Council the vacation of the south 10 feet of the existing 20 foot public utility and drainage easement on lots 1, 2, and 3 of Orchard Hill Subdivision, and the rededication of a 10 foot public utility and drainage easement north of the existing easement, contingent upon Wastewater Manager, Ed Hollinden's review. Alex Emmons seconded the motion. Motion approved, 7-0.

REQUEST FOR WATER LINE REIMBURSEMENT IN AUTUMN CREEK II – PHIL BUEHLER FROM BROSMER LAND SURVEYING (DVD-25:25)

Phil Buehler with Brosmer Land Surveying, on behalf of Kerstiens Development, Inc. requested a reimbursement for the water line to be installed in the Autumn Creek II subdivision near 36th Street and St. Charles Street. The developer, Kerstiens Development, Inc., will construct the water extension portion of the development.

The 6 inch water line runs from east to west, then heads north with private lines for services. The Water Department wants to loop an 8 inch water main to an existing main along the west side of St. Charles Street. This requires a 200 foot extension beyond the proposed main extension development.

A reimbursement cost of a not-to-exceed \$7,000 is being requested for the 200 feet of 8 inch water main extension. A reimbursement cost of a not-to-exceed \$950 is being requested for the costs associated with the 190-foot of 8 inch water main versus the 6 inch water main.

Ernie Hinkle stated that the project is being done to improve the infrastructure in the area. The estimate for the Gas and Water Department to complete the water main project was approximately \$9,000. Kerstiens can do the project for less because they are already on the job site with all the necessary equipment.

Rick Stradtner made a motion to approve the reimbursement for a not-to-exceed \$950 to Kerstiens Development for the costs associated with the 190-foot of 8 inch water main versus the 6 inch water main. Alex Emmons seconded the motion. Motion approved, 7-0.

Alex Emmons made a motion to approve the reimbursement for a not-to-exceed \$7,000 for the 200 feet of 8 inch water main extension from the cross junction to the east right-of-way of St. Charles. Ken Sendelweck seconded the motion. Motion approved, 7-0.

ANNUAL SERVICE & SOFTWARE AGREEMENT WITH CG AUTOMATION SOLUTIONS FOR SCADA (DVD-31:01)

Jerry Schitter informed the Board that he received an annual service and software agreement from CG Automation Solutions for the SCADA system for a cost of \$6,847. This is the same amount as last year. Schitter asked for the Board's permission to enter into this agreement with CG Automation.

Ken Sendelweck made a motion to approve the service and software agreement with CG Automation for \$6,847. Doug Schulte seconded the motion. Motion approved, 7-0.

ONSITE TRAINING WITH CG AUTOMATION SOLUTIONS FOR MATT GEHLHAUSEN & CHRIS HOPF (DVD-32:06)

Jerry Schitter informed the Board that CG Automation has submitted a proposal for a 5 day on-site training for the SCADA system. We have two new employees that have never been formally trained on the SCADA system. Schitter feels like this training would benefit both employees. The quote for the training is \$8,250, plus an estimated \$2,000 in travel expenses. The total amount is a not-to-exceed \$10,250.

Alex Emmons made a motion to approve CG Automation to do SCADA system training onsite for 5 days for a not-to-exceed \$10,250. Keith Masterson seconded the motion. Motion approved, 7-0.

POLE ATTACHEMENT AGREEMENT (DVD-34:42)

Jerry Schitter informed the Board that he received a pole attachment agreement from Jasper Engines. Jasper Engines wants to run a fiber line from their existing facility on Division Road to their new facility, which was the old Jasper Plastics building. Schitter asked for the Board's permission for Jasper Engines to connect onto 26 of the City's poles. Jasper Engines has supplied the City with a detailed map of the attachments and there is adequate space on the lines. Attorney Kabrick has reviewed the agreement.

Keith Masterson made a motion to approve the pole attachment agreement with Jasper Engines to attach fiber optics to 26 of the City's poles between their two facilities. Doug Schulte seconded the motion. Motion approved, 7-0.

AUGUST MACK PROPOSAL (DVD-36:44)

Bud Hauersperger stated that he contacted August Mack for a proposal regarding environmental considerations if the Power Plant was demolished. August Mack has not finished the proposal at this time. Hauersperger asked that the discussion be tabled until the proposal is received.

Alex Emmons made a motion to table the discussion until the proposal is received from August Mack. Ken Sendelweck seconded the motion. Motion approved, 7-0.

ELECTRIC PLANNING COMMITTEE REPORT (DVD-37:23)

Ken Sendelweck, Chairman of the Electric Planning Committee, stated that the committee did not meet during the past month.

WHODERVILLE GAS MAIN EXTENSION PROJECT (DVD-37:28)

Ernie Hinkle stated that all the material for the Whoderville gas main extension project will be ordered this week and the project will begin shortly after the material is received. Hinkle stated that he hopes to have the main part of the project completed before the winter.

RESULTS OF LOADER/BACKHOE QUOTE OPENING (DVD-37:53)

Hinkle informed the Board that the low quote for the loader/backhoe was accepted from Hopf Equipment for \$6,965. The quote did meet all specifications. The Capital Expenditure amount for this equipment was \$12,000.

ITEMS TO DEEM SURPLUS FOR DISPOSAL (DVD-38:16)

Hinkle explained to the Board that the Gas and Water Departments had some items to deem surplus for disposal. The Gas Department has 15 pop off valves which are obsolete. The inventory value of the valves are \$31.70 each or \$475.50 for all fifteen. The Water Department has 75 water meters that are obsolete. The inventory value of the meters are \$60 each or \$4,500 for all seventy-five. Both items should have scrap value.

Dave Hurst made a motion to deem the 15 gas pop off valves and the 75 water meters as surplus for disposal. Keith Masterson seconded the motion. Motion approved, 7-0.

UPDATE ON KIMBALL INDUSTRIAL PARK GAS LINE EXTENSION (DVD-39:54)

Hinkle informed the Board that the pipe for the Kimball Industrial Park gas line extension has been delivered to the job site and the majority has already been welded. Boring the pipe should begin within two to three weeks. The entire project should be complete in about a month.

FALL HYDRANT FLUSHING (DVD-40:14)

Hinkle informed the Board that fall hydrant flushing began September 8th and should be complete by mid-October.

IDEM SANITARY SURVEY INSPECTION – FILTER PLANT (DVD-40:16)

Hinkle informed the Board that IDEM will be performing a sanitary survey compliance inspection on September 25th. Hinkle anticipates that everything will go well and he will let the Board know when the inspection is complete.

SUNSET DRIVE WATER MAIN PROJECT (DVD-40:37)

Hinkle stated that the material for the Sunset Drive water main project has been delivered to the job site and work is underway. The project should be completed by Thanksgiving.

WATER LINE INSURANCE (DVD-41:00)

Chairman Schuetter stated that the water line insurance correspondence that people are receiving in the mail is NOT from Jasper Municipal Utilities. The City does not endorse this insurance.

GAS PLANNING COMMITTEE REPORT (DVD-41:30)

Keith Masterson, Chairman of the Gas Planning Committee, stated the committee did not meet during the past month.

WATER PLANNING COMMITTEE REPORT (DVD-41:35)

Dave Hurst, Chairman of the Water Planning Committee, stated the committee did not meet during the past month.

ACCEPT TRANSFER OF COPIER FROM PERSONNEL/SAFETY/LOSS CONTROL DEPT. (DVD-41:40)

Ed Hollinden asked for the Board's permission to accept a transfer of a copier from the Personnel/Safety/Loss Control Department. Hollinden stated that their copier is obsolete and this one is an upgrade.

Rick Stradtner made a motion to approve the transfer of the copier from the Personnel/Safety/Loss Control Department to the Wastewater Department. Keith Masterson seconded the motion. Motion approved, 7-0.

WASTEWATER PLANNING COMMITTEE REPORT (DVD-42:09)

Alex Emmons, Chairman of the Wastewater Planning Committee, stated the committee did not meet during the past month.

RESOLUTION RECOMMENDING SALARIES & WAGES FOR 2015 (DVD-42:24)

Bud Hauersperger stated that the Resolution recommending Salaries and Wages for 2015 will be tabled this month. There may be some changes made to the Resolution.

Ken Sendelweck made a motion to table the Resolution recommending Salaries and Wages for 2015 until the October meeting. Alex Emmons seconded the motion. Motion approved, 7-0.

REPLACEMENT OF PHONE SYSTEM (DVD-43:14)

Hauersperger informed the Board that he received a proposal from Brian Scott, with Technology Dynamics, to design a Request for Proposal (RFP) for the phone system for the City of Jasper. The proposal will include City Hall as well as all other City Departments.

The proposal was divided into two parts. The design estimate is \$12,560. The procurement was a not-to-exceed \$5,200. The total estimate is \$17,760, which the Utilities and the Civil City will split in half. Hauersperger asked for permission from the Board to send out the RFP.

Doug Schulte made a motion to approve Technology Dynamics to design the construction of the phone system and the procurement for the City of Jasper for an amount of \$17,760, which will be divided in half by the Utilities and the Civil City. Keith Masterson seconded the motion. Motion approved, 7-0.

Hauersperger also asked for the Board's permission to send out the RFP's from Technology Dynamics if they are completed before the next Utility Service Board meeting in October.

Keith Masterson made a motion to give Hauersperger approval, after the design phase, to send out RFP's from Technology Dynamics for the phone system. Doug Schulte seconded the motion. Motion approved, 7-0.

FIBER NETWORK PROPOSALS (DVD-49:18)

Hauersperger informed the Board that he received proposals from possible vendors for the fiber network project to connect the City departments and also fiber to the home proposals. The proposals were just received late last week and are still being reviewed by Brian Scott from Technology Dynamics.

WASTEWATER PRETREATMENT FUNDS – (DVD-50:00)

Hauersperger explained to the Board that the Wastewater Pretreatment fund has been accumulating money. This fund was designed to pay wages for a pretreatment coordinator. There has not been a full-time employee for this position for some time. Employees in other departments are performing these responsibilities. The pretreatment fund has accumulated approximately \$300,000.

Ed Hollinden, Wastewater Manager, would like to use some money from this fund to purchase pretreatment lab equipment for the Wastewater Facility. The cost of the lab equipment is approximately \$80,000. The equipment currently used to do the lab testing is down and they are sending the samples out to be tested. Attorney Kabrick will have to review to make sure this fund can be used to purchase equipment.

Doug Schulte made a motion to give Hollinden permission to get quotes for lab testing equipment and have them ready to discuss at the Special Board Meeting held on September 24th. Alex Emmons seconded the motion. Motion approved, 7-0.

FINANCE COMMITTEE REPORT & PRESENTATION OF CLAIM DOCKET (DVD-53:51)

Doug Schulte reported the Finance Committee had met and reviewed the claims on the Claim Docket.

The Finance Committee recommended approval of the claims as presented.

Dave Hurst made a motion to approve the claims as presented. Rick Stradtner seconded the motion. Motion approved, 7-0.

RESOLUTION REGARDING EXTENSION OF UTILITIES TO OUTSIDE CUSTOMERS (DVD-54:22)

Attorney Kabrick presented Resolution USB 2014-4, recommending an Amendment to the Ordinance providing for the operation of a natural gas system owned by the City of Jasper, Indiana and fixing a schedule of revised rates and charges for the sale of gas by the Jasper Municipal Gas Utility.

Attorney Kabrick stated that the City has received 26 requests from Whoderville residents wanting a gas main extension, for service in their area from the City of Jasper. It was stated that if 20 or more residents signed up for the gas extension, the project would proceed. The changes in the Ordinance describe the location and definition of the residents receiving the gas extension. Not all Whoderville residents were interested in the gas extension project.

Original participants who have signed up are required to pay a down payment of \$1,000. A late extension participant will be required to pay a down payment of \$1,500. The cost of installation will be spread out over a period of 120 months for a monthly cost of \$22.26 per property owner for the first year. The first year's cost is an estimate of what the installation cost will be. After the first 12 months the cost will be recalculated to adjust to the actual cost of installation and the monthly charges will reflect the new figures.

As part of this project the property owner was required to sign an annexation waiver, which was recorded. The agreement itself is not recorded; therefore no lien can be put on the property. Legal action can be taken if necessary.

Doug Schulte made a motion to approve and recommend to the Common Council Resolution USB 2014-4. Keith Masterson seconded the motion. Motion approved, 7-0.

RESOLUTION TO UPDATE SEWER USE ORDINANCE (DVD-1:00:44)

Attorney Kabrick presented Resolution USB 2014-3, recommending an amendment to the Ordinance setting forth Wastewater pretreatment requirements for uses of the City of Jasper's Wastewater Treatment Works.

Attorney Kabrick stated that this Resolution relates back to the re-evaluation of our local limits of wastewater. In 2013 the Wastewater Ordinance was amended to incorporate required changes set by EPA and IDEM. After the Resolution was passed by the Utility Service Board, EPA and IDEM required additional changes to be made in other sections of the Ordinance. This Resolution changes the language regarding "best management practices", added a definition of "Utility Service Board", and added supplemental language regarding the definition of a "Significant Industrial User".

Rick Stradtner made a motion to approve and recommend to the Common Council Resolution USB 2014-3. Dave Hurst seconded the motion. Motion approved, 7-0.

MAYOR'S COMMENTS (DVD-1:02:38)

Mayor Seitz stated that the City is requiring a waiver of annexation on gas for residents of the Whoderville area. The Whoderville residents knew the annexation waiver was part of the gas extension project. Mayor Seitz reminded the Board that there is no requirement to take utilities outside the City limits. Therefore the City needs to ask the question if there is desire from the citizens who live in the Whoderville area to have annexation occur.

Mayor Seitz stated that the Whoderville area was forced to hook up to City sewer in 2001 by the County. No annexation waiver was obtained at that time due to the circumstances. Since that time, anyone wanting to hook up to the sewer system in the Whoderville area has signed an annexation waiver. Mayor Seitz stated that at this time there has been no discussion of annexing the Whoderville area but wouldn't preclude that from happening in the future.

Mayor Seitz thanked the Utility Service Board for their approval on the phone system. He also thanked the Board for their approval for the fiber network, which will be supported by private investments. Mayor Seitz stated that this will help economic development in and around Jasper. He also commended Bud Hauersperger and Attorney Kabrick on all their hard work regarding the fiber networking.

There being no further business to come before the Board, the meeting was adjourned at 8:08PM upon motion by Alex Emmons and second by Rick Stradtner. Motion approved, 7-0.

The minutes were hereby approved _____ with X without corrections this _____ day of _____, 2014.

Attest: _____
Secretary Chairman